#### REMARKS

## Summary of Office Action

Claims 1-28 and 30-38 are pending in this application.

Claims 1, 4, 6, 7, 9, 11, 13-19, 22, 27, and 33-38 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Watanabe et al. U.S. Patent No. 4,887,161 (hereinafter "Watanabe") in view of Freeman U.S. Patent No. 6,068,183 (hereinafter "Freeman").

Claims 2, 3, 20, 21, 23 & 24 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Watanabe and Freeman in view of Rowland U.S. Patent No. 5,801,970 (hereinafter "Rowland").

Claim 5 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Watanabe and Freeman in view of Eisele U.S. Patent No. 6,089,459 (hereinafter "Eisele").

Claims 8, 10, 12, 25, 25, and 28 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Watanabe and Freeman in view of Hornback WO 99/56463 (hereinafter "Hornback").

Claims 30-32 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Watanabe in view of Ray U.S. Patent No. 5,321,751 (hereinafter "Ray").

#### Summary of Applicant's Amendments

Applicant has amended claims 11 and 19 in order to expedite prosecution.

The Examiner's rejections are respectfully traversed.

Applicant's Response to the Rejection Under 35 U.S.C. § 103(a) In view of Watanabe and Freeman

Claims 1, 4, 6, 7, 9, 11, 13-19, 22, 27, and 33-38 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Watanabe in view of Freeman.

## Claims 1, 4, 6, 7, and 9

Applicant's invention of claim 1 is a photo album capable of storing digital images on a display that includes a speaker.

The Examiner stated that:

"Watanabe does not specifically teach a speaker, located within the housing, for playing sound. Freeman teaches a wallet-sized Chip Card (10) ... with ... a speaker for playing sound" (Office Action, page 4).

The Examiner also stated that:

"it would have been obvious to one of ordinary skill in the art to modify the wallet-sized photo album in Watanabe by incorporating a speaker into the housing so as to enhance the photo album to a more attractive one having both a display and speaker" (Office Action, page 4).

Watanabe, however, directly teaches away from the use of a speaker. Watanabe discusses a camera with a memory cartridge that has a display. Watanabe's camera takes pictures, processes pictures, and then displays the processed pictures on the display of the memory cartridge. Watanabe does not show or suggest audio or audio processing in any way, shape ,or form. Including a speaker in Watanabe would eviscerate the spirit of the Watanabe system - a system dedicated to image capture and display. And, even if the spirit of the Watanabe system was eviscerated to include a speaker, the speaker would reside in the camera of Watanabe - not the memory card of Watanabe.

Applicant respectfully submits that the Examiner is using hindsight reconstruction and that no motivation exists in either of the references to put a speaker into Watanabe — or combine Watanabe and Freeman in any way, shape, or form.

The Examiner cannot simply pick and chose elements in unrelated disclosures and put these elements together to form a structure not suggested by either reference.

Furthermore, Freeman teaches away from being combined with Watanabe because, for example, the card of Freeman is not a memory card for a still camera.

In light of the foregoing, applicant respectfully submits that none of the prior art, used either alone or in combination, shows or suggests applicant's invention of claim 1. Accordingly, applicant respectfully requests that the Examiner's rejection of claim 1, and any claims dependent therefrom, be withdrawn.

# Claims 11 and 13-18

Applicant's invention of claim 11 includes a photo album for displaying one or more digital images and a permanent digital image.

The Examiner stated that Freeman makes up for the numerous deficiencies of Watanabe (e.g., the absence of a permanent digital image) by discussing:

"at least one permanent digital image that is permanently stored in the memory (see Freeman, Fig. 2; col. 3, lines 45-55 and note the card owner's demographic or biographic data, i.e., one type of image data, is stored in the card ID section which must permanently store the data for verification purpose)."

(Office Action, page 5)

Freeman does not show or suggest displaying a permanent image. Text is not an image.

Furthermore, Freeman does not even show or suggest permanent text information. Freeman merely discusses storing identification information. Freeman makes no mention that the

identification information - which is not even an image - is permanently stored. In fact, Freeman only discusses using the "retrieved information (e.g., demographic data ... or card serial number) to select appropriate audiovisual information for delivery" (Freeman, col. 5, lines 3-5).

Moreover, Freeman does not even discuss displaying the identification text information - let alone displaying permanent image information. Freemen clearly does not show or suggest displaying a permanent image.

In light of the foregoing, applicant respectfully requests that the Examiner's rejection of claim 11, and any claims dependent thereon, be withdrawn.

#### Claim 19

The Examiner stated "regarding claim 19, see the analysis of claim 1" (Office Action, page 7).

As shown above in connection with the arguments supporting the patentability of claim 1, Freeman cannot be combined with Watanabe in any way, shape, or form. The two disclosures are far removed from one another and any combination would eviscerate the spirit of each of the Freeman and Watanabe systems by eviscerating the disclosed architecture of each system.

Additionally, Freeman does not show or suggest processing circuitry that is substantially dedicated to displaying on the electronic display a plurality of digital images stored in the memory as included in applicant's invention of claim 19.

In light of the foregoing, applicant respectfully requests that the Examiner's rejection of claim 19 be withdrawn.

# Claims 22 and 27

The Examiner stated "regarding claim 22, see the analysis of claim 1" (Office Action, page 7).

As shown above, claim 1 is patentable. Watanabe and Freeman cannot be combined in any way, shape, or form.

Moreover, neither Freeman or Watanabe show or suggest applicant's invention of claim 22 of integrating sound with a digital image.

Accordingly, none of the references, used either alone or in combination, show or suggest applicant's invention of claim 22. Accordingly, applicant respectfully requests that the Examiner's rejection of claim 22, and any claims dependent therefrom, be withdrawn.

#### Claims 33-35 and 36-38

Applicant's invention of claims 33 and 36 include a memory, located within the housing, that stores one or more digital images, wherein at least one preloaded digital image is permanently stored in said memory and a user does not have the ability to load additional digital images in said memory;

The Examiner stated that "regarding claim 33, see the analysis of claim 1" and that since Freeman discusses a "preloaded digital image," Freeman also discusses not allowing a user "to load additional digital images into that section" (Office Action, page 7). The Examiner also stated "regarding claim 36, see the analyses of claims 1 ... & 33" (Office Action, page 7).

Freeman, however, does not show or suggest permanent data - let alone a permanent image.

Moreover, Freeman does not show or suggest a user's inability to load additional images.

The Examiner cannot read elements into a prior art reference that do not exist in that prior art reference. Even if a reference only discusses permanent image data - which no reference does - that reference would not suggest a user's inability to load additional images. None the prior art shows

or suggests applicant's invention of claims 33 and 36 of a user's inability to load additional digital images.

Accordingly, none of the references, used either alone or in combination, show or suggest applicant's invention of claims 33 and 36. In light of the foregoing, applicant respectfully submits that applicant's invention of claim 33 and 36, and any claims dependent therefrom, are allowable.

# Applicant's Response to the Additional Rejections Under 35 U.S.C. § 103(a)

# Claims 2, 3, 20, 21, 23, and 24

Claims 2, 3, 20, 21, 23, and 24 were rejected by the Examiner under 35 U.S.C. § 103(a) as being unpatentable over Watanabe in view of Rowland.

As shown above, claims 1, 19, and 22 are allowable. Accordingly, claims 2, 3, 20, 21, 23, and 24 are allowable because claims 2, 3, 20, 21, 23, and 24 depend from one of allowable claims 1, 19, and 23.

#### Claim 5

Claim 5 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Watanabe in view of Eisele.

As shown above, claim 1 is allowable. Accordingly, claim 5 is allowable because claim 5 depends from allowable claim 1.

# Claims 8-10, 12, 25, and 28

Claims 8-10, 12, 25, and 28 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Watanabe in view of Hornback.

As shown above, claims 1, 11, and 22 are allowable.

Accordingly, claims 8-10, 12, 25, and 28 are allowable because claims 1, 11, and 22 depend from one of allowable claims 1, 11, and 22.

# Claims 30-32

Claims 30-32 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Watanabe in view of Ray.

Applicant's invention, as defined by amended claim 30, includes a pocket-sized structure that includes a magnetic strip. A display is also located on the structure so that images can be displayed.

Watanabe discusses a memory card for a still camera that includes a display.

Ray discusses a credit card that stores image information of the credit card owner such that a complex credit card verification process can be carried out. This verification process includes transmitting the image information to a display that is remote from the credit card.

The Examiner stated that "Watanabe fails to teach a magnetic strip located on the structure that includes credit card information" (Office Action, page 13).

The Examiner further stated that Ray discusses a "credit card ... [with] a storage for storing a digital image ... so that the digital picture of the owner or authorized user can be securely verified" (Office Action, page 13).

Ray, however, does not show or suggest displaying a picture on the credit card. More particularly, Ray's picture is displayed on a remote display. Thus, Ray clearly teaches away from Watanabe. Similarly, Watanabe is a still camera with a memory card. There is no suggestion or motivation to put credit card information on a memory card of a still camera.

As such, neither Watanabe or Ray, used either alone or in combination, show or suggest a structure with a magnetic strip that includes credit card information and a display that is located on the structure.

In light of the foregoing, applicant respectfully requests that the rejection of independent claim 30, and any claims dependent therefrom, be withdrawn.

# Conclusion

In light of the foregoing, applicant respectfully submits that this application, including each of claims 1-38, is in condition for allowance. Reconsideration and a favorable action are respectfully requested.

Respectfylly submitted,

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